

The Federal Flyer

First Session of 108th Congress Convenes FY 2003 Spending, Committee Assignments Highlight Early Activity

The First Session of the 108th Congress began on January 7, 2003 with the election of the leaders of the House and Senate and the swearing in of new and re-elected members and senators. Amid all of the pomp and circumstance of that new beginning, there is much unfinished business from the last Congress yet to be addressed by the new Congress.

FY 2003 Spending Bills Left Unfinished. In particular, the Congress must deal with the 11 remaining annual appropriations bills, including the USDOT and Related Agencies spending bill, that have yet to be enacted. Until that is done, the majority of all federal programs are operating under a series of Continuing Resolutions at last year's spending levels. The most recent CR provides funding through January 31.

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The House and Senate leadership have agreed to handle this large task by pursuing an omnibus spending bill, combining the 11 remaining appropriations bills into one. They have also pledged to meet President Bush's target of total non-defense domestic discretionary spending of \$750 billion for FY 2003. To do that, the Senate's proposed omnibus spending bill would require a 1.6% across the board cut in funding for all federal programs, including transportation. Although details of the omnibus bill are not available at this time, we understand that the Senate's bill would fund the federal-aid highway program at \$31.8 billion, the same

as enacted for FY 2002. This is an important development, as the House version of the FY 2003 transportation appropriations bill would set the program funding level at \$27.7 billion. The fate of the highway program funding in the FY 2003 appropriations bill is important because it will set the baseline for future spending, to be authorized later this year in the reauthorization of TEA 21.

Committees Getting Ready for Reauthorization Efforts. One member of the House recently called 2003 the year of the "transportation trifecta." That is because three major federal transportation reauthorization bills are slated for Congressional action this year: TEA 21, AIR 21, and Amtrak authorization. TEA 21 and AIR 21 authorizations expire on September 30, 2003, making that the deadline for Congress to get a new set of authorization bills to the President's desk.

The key committees that will be involved in this giant effort are the House Transportation and Infrastructure Committee, the Senate Environment and Public Works Committee, the Senate Banking and Urban Affairs Committee, and the Senate Commerce, Science, and

Transportation Committee. The authorizing legislation will also have to go through the House and Senate committees with taxing authority, namely the House Ways and Means Committee and the Senate Finance Committee, to authorize extensions of underlying taxes that support the various federal transportation programs.

Staff to the Senate Environment and Public Works and House Transportation and Infrastructure Committees announced their chairmen's goals to have their respective versions of the TEA 21 reauthorization legislation ready for Senate and House floor debate in May and July, respectively. The goal is to get the bills through both chambers, a joint conference committee, and on to the President's desk by the September 30th expiration date.

Texans Appointed to Key Transportation Committees. One of the early activities of the new Congress is the appointment of members to the various legislative committees. For



Texas, several key changes are underway in the committee assignments of our delegation members. First, **Congressman Tom DeLay** (R - Sugar Land) was elected as the House Majority Leader. As such, DeLay is no longer assigned to any committees, yet he has *ex officio* status on all committees as Majority Leader. However, Texas representation on the Appropriations Committee remains the same, with the appointment of **Congressman John Culberson** (R - Houston) to the committee. Other Texans on the Appropriations Committee are **Congressmen Chet Edwards** (D - Waco) and **Henry Bonilla** (R - San Antonio) and **Congresswoman Kay Granger** (R - Fort Worth).

In order to win his seat on Appropriations, Culberson had to give up his seat on the important House Transportation and Infrastructure Committee, which will write the various transportation reauthorization bills this year. In addition, **Congressman Max Sandlin** (D - Marshall) gave up a seat on the T & I Committee to join the Ways and Means Committee this year. However, freshman **Congressman Michael Burgess** (R - Highland Park) won an appointment to the T&I Committee and joins **Congresswoman Eddie Bernice Johnson** (D - Dallas) and **Congressman Nick Lampson** (D - Galveston) to represent Texas interests on this key authorizing committee in the House.

On the Senate side of the Capitol, newly-elected **Texas Senator John Cornyn** (R) won a seat on the Senate Environment and Public Works Committee, which will write the highway and environmental portions of the TEA 21 reauthorization bill. In addition, Cornyn will sit on the Senate Budget, Judiciary, and Armed Services Committees. Cornyn's partner in the Senate, **Texas Senator Kay Bailey Hutchison** (R), retains her seats on the Senate Appropriations Committee and the Senate Commerce, Science, and Transportation Committee, which will write the highway traffic and motor carrier safety portions of TEA 21 reauthorization as well as the reauthorization of AIR 21 and Amtrak.



Hutchison



DeLay



Culberson



Bonilla



Edwards



Granger



Cornyn



Sandlin



Johnson



Lampson



Burgess

Texas Transportation Priorities For the First Session of the 108th Congress

In 2003, the Texas Department of Transportation (TxDOT) will focus on reauthorization of the nation's aviation, highways, transit, highway safety, and passenger rail programs. TxDOT will continue our efforts to ensure that Texans get their money's worth out of every federal fuel tax dollar sent to Washington. Reauthorization of these key transportation programs during 2003 provides unusual opportunities to enhance our share of federal transportation funding, accelerate project delivery, and give state and local governments better discretion to identify and respond to transportation challenges.

TxDOT will work with our partners within Texas and in other states in support of our goals. We encourage your participation in our effort to promote these Texas Transportation Priorities for the First Session of the 108th Congress:

Support the Trans Texas Corridor



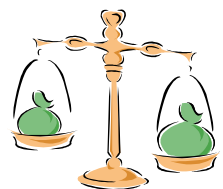
The Trans Texas Corridor (TTC) is the beginning of a new way to plan and build a transportation system. Making the TTC a reality will require that state and local officials have broad discretion in planning, developing, and funding transportation systems, empowering them to reduce significantly the time required to take a transportation project from conception to ribbon-cutting.

Maximize the Return of Funding to Texas



Historically, Texas, as a "donor" state, has received less than a dollar back for each dollar sent to the Highway Trust Fund. Even with the improvements made in TEA 21, Texas still gets back only about 88 cents in federal highway funding on each dollar contributed to the trust fund's Highway Account. Working with donor states in SHARE (the States' Highway Alliance for Real Equity), TxDOT will seek to guarantee all states at least a 95 percent rate of return on all federal highway funds distributed to the states. Congress should also explore improving the fairness of federal transit funds distributions. (Note: Texas is a leader of SHARE. Visit www.sharestates.org for more information on this effort.)

Protect and Strengthen Transportation Funding Guarantees



The firewall provisions and funding guarantees of AIR 21 and TEA 21 should be retained to protect the integrity of the Aviation and Highway Trust Funds and the availability of those funds for the nation's aviation, transit, and highways programs. The RABA (Revenue Aligned Budget Authority) provisions of TEA 21 should be strengthened to improve the predictability of funding for the nation's highways programs and to ensure that all revenues to the Highway Account of the Highway Trust Fund can be put to work quickly to improve our transportation infrastructure.

Seek Opportunities for Increased Funding



Recent estimates indicate that an annual investment of \$110 billion is necessary to maintain the physical condition and performance characteristics of the nation's highways, bridges, and transit systems over the next 20 years. The cost to improve those systems is estimated at \$170 billion annually. In Texas, our identified transportation needs outstrip available funding two to one. To address these important and growing transportation needs, Texas supports increasing the federal investment in the nation's transportation programs. Congress should explore all opportunities to provide increased funding for transportation.

Coordinate Congressional Project Designations



Projects specified in the next surface transportation act and annual appropriations acts should be coordinated with the statewide and metropolitan planning process. This will minimize disruptions to state and local plans and programs and help ensure that project expectations can be met.

Broaden Discretion in Existing Surface Transportation Programs



Reauthorization of TEA 21 will bring many requests for new highways, transit, and highway safety programs and for targeted funding set-asides. Rather than increasing its complexity through new programs and set-asides, Congress should simplify the federal program structure, giving states and local governments broader discretion within existing program categories, empowering state and local officials to handle their congestion, mobility, and safety needs efficiently and effectively.

Support International Trade Transportation



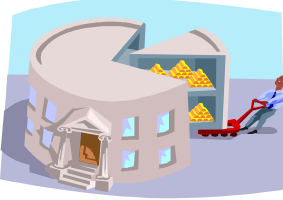
With the continued expansion of international trade traffic through Texas, Congress should acknowledge and fund the national burden that Texas carries in handling these increased transportation demands on our system. The Trans Texas Corridor and other initiatives to improve international trade transportation in Texas warrant special attention without sacrificing Texas' ability to meet its regular mobility needs within the state.

Support More Efficient Environmental Processes



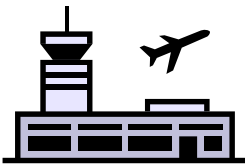
To ensure Texans the highest possible quality of life, TxDOT, in cooperation with federal agencies, is seeking to improve cooperative transportation decision making that protects our natural and human environments and provides optimal levels of mobility. Any changes in environmental requirements should enhance, not impede, the efficiency and effectiveness of that process.

Continue to Expand Innovative Financing Techniques



TEA 21 included several project financing tools, such as TIFIA (the Transportation Infrastructure Finance and Innovation Act), SIBs (State Infrastructure Banks), GARVEE (Grant Anticipation Revenue Vehicle) bonding authority, advanced construction provisions, and flexible match provisions. Congress should continue the availability of those tools and consider the creation of additional financial tools.

Support a Stable Federal Airport Improvement Program



States and localities depend on a reliable general aviation system as an important part of the national and regional transportation systems. Federal aviation programs should provide reliable, predictable funding for airport improvements. Congress should reestablish its strong support for the state block grant program for general aviation and reliever airports by eliminating the non-primary entitlement program.

Enhance the Capacity of Passenger and Freight Rail



We rely on all modes to transport both people and goods throughout the country and internationally. The future of the nation's rail system is in jeopardy unless Congress finds a new source of reliable funding for both passenger and freight rail improvements. Congress should improve the movement of freight by all modes through increased funding for intermodal connectors, further development of freight corridors, and the creation of freight expertise at the state and local level. Congress should enhance the reliability and viability of the nation's passenger rail system by providing a dedicated funding source.

Expand Transportation Research & Technology Transfer



Development and implementation of improved technologies are critical to future delivery of transportation services. Technology advances accelerate success in all areas of industry and business. Transportation departments depend on excellent research to improve quality and cost effectiveness of transportation services. Congress should provide adequate funding for transportation research and technology transfer activities.

The **Federal Flyer** is a publication of the TxDOT Legislative Affairs Office. It is intended to provide up-to-date information on major legislative activities in the 108th Congress for the management of the Texas Department of Transportation, state leaders, and others interested in Texas transportation issues. This report will also feature key activities in the national transportation community. Sources include news services and staff reports.

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